CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM BOARD OF ADMINISTRATION

PERFORMANCE AND COMPENSATION COMMITTEE

MINUTES OF MEETING

December 14, 2010



The Performance and Compensation Committee met on Tuesday, December 14, 2010, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 2:35 p.m. the following members were present:

Pat Clarey, Chair
Dan Dunmoyer, Vice Chair
George Diehr
Debbie Endsley, represented by Darlene Schell
Bill Lockyer, represented by Grant Boyken
Louis F. Moret
Tony Oliveira

Excused:

Other Board Members present:

Priya Mathur

AGENDA ITEM 2a – APPROVAL OF THE NOVEMBER 15, 2010, PERFORMANCE AND COMPENSATION COMMITTEE MEETING MINUTES

The minutes were approved as presented.

AGENDA ITEM 3a – 2010-11 PERFORMANCE PLAN FOR RECENTLY-APPOINTED PORTFOLIO MANAGERS (SECOND READING)

Michael Willihnganz, Chief, Human Resources Division, presented the second reading of the above-mentioned performance plan to the Committee as an action item.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee accepted and recommended the Board approve the 2010-11 performance plan for the recently appointed Portfolio Managers as a second reading.

AGENDA ITEM 3b - PROPOSED AMENDMENT TO GOVERNMENT CODE SECTION 20098

Mr. Willihnganz presented the request for approval to amend Government Code Section 20098 to the Committee as an action item. Amending the Government Code will allow the establishment of a civil service classification for the Chief Financial Officer.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee accepted and recommended the Board approve the proposed policy revisions as presented.

AGENDA ITEM 3c - EXECUTIVE COMPENSATION CONSULTANT SPRING-FED POOL RFP

Mr. Willihnganz presented this agenda item to the Committee as an action item consisting of two recommendations. Those recommendations were as follows:

- 1) Forego the optional Performance and Compensation interviews
- Approve the award of contracts to all finalists

After discussion between the Committee and staff, the Chair directed staff to defer the awarding of contracts pending finalist interviews. As a result, no action was taken on staff's recommendations.

AGENDA ITEM 4a - HUMAN RESOURCES DIVISION REPORT

Mr. Willihnganz presented a matrix reflecting the status of various activities occurring within the Human Resources Division and the 2010 master calendar to the Committee as an information item.

AGENDA ITEM 4b - PROPOSED FEBRUARY 2011 AGENDA

The proposed agenda was approved as presented.

AGENDA ITEM 5a - PUBLIC COMMENT

There was no public comment.

The meeting was adjourned at 3:11 p.m.

The next Performance and Compensation Committee meeting is scheduled for February 14, 2011, in Sacramento, California.

Date:	
	STEPHEN W. KESSLER
	Deputy Executive Officer, Operations